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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/748,710

12/30/2003

Craig Shapiro

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2111

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LEWIS, RICE & FINGERSH, LC

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SUITE 2000

ST LOUIS, MO 63102

EXAMINER

ALVAREZ, RAQUEL

ART UNIT

PAPER NUMBER

3688

NOTIFICATION DATE

DELIVERY MODE

01/20/2010

ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

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<b>Office Action Summary</b>	<b>Application No.</b> 10/748,710	<b>Applicant(s)</b> SHAPIRO ET AL.	
	<b>Examiner</b> Raquel Alvarez	<b>Art Unit</b> 3688	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 08 December 2009.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-29 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-29 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |                                                                                     |                                                                   |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                    | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)         | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____                                                         | 6) <input type="checkbox"/> Other: _____                          |

### DETAILED ACTION

1. This office action is in response to communication filed on 12/8/2009.
2. Claims 1-29 are presented for examination.

#### **Claim Rejections - 35 USC § 102**

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

4. Claims 1, 4, 7-17, 21-26 and 28 are rejected under 35 U.S.C. 102(b) as being anticipated by Teveler et al. (2001/0034663 hereinafter Teveler).

With respect to claims 1, 11-13, 21-26, 28 teaches a method for a first party to earn bonus points for borrowing (Abstract). Providing at least one computer capable of communicating monetary transactions on a network (paragraph 0076); having two sources of borrowed funds available on said network, a principal lending instrument having a first level of funds available for secured borrowing and an incentive lending instrument having a second level of funds available for unsecured borrowing, the first level being greater than the second level, and said incentive lending instrument providing an active accrual of bonus points simply for borrowing (Figure 16 and paragraphs 0027 and 0030); borrowing funds in a first amount from said incentive lending instrument over said network incurring a first debt to said incentive lending instrument (Figure 16, 1700); accruing immediately said bonus points from said borrowing funds from said incentive lending instrument over said network (Figure 16,

Art Unit: 3688

1704); paying a second party with at least a portion of said funds borrowed from said incentive lending instrument over said network (Figure 16, 1709); borrowing funds in said first amount from said principal lending instrument over said network incurring a second debt to said principal lending instrument and crediting said incentive lending instrument over said network with said funds borrowed from said principal lending instrument to eliminate said first debt prior to being charged interest on said first debt (paragraphs 0189 and 0190).

With respect to claims 4 and 8, Teveler further teaches wherein said first party is a contractor in the construction field and said second party is a subcontractor is the construction field (paragraph 0099).

With respect to claims 7 and 9, Teveler further teaches that the line of credit and is provided by the bank (paragraph 0076).

With respect to claim 10, Teveler further teaches wherein said incentive lending instrument includes a payment window from the time borrowing occurs until interest is charged if said first debt remains unpaid (paragraph 0120).

With respect to claims 14-17, Teveler further teaches the management company coordinating the relationship among other entities involved in the system and

Art Unit: 3688

negotiating discount with a third party provider for at least one of said first party and second party (Trading system TS 0084).

**Claim Rejections - 35 USC § 103**

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 2-3, 5-6, 27 and 29 are rejected under 35 U.S.C. 103(a) as being unpatentable over Teveler.

Claim 27, 29 differ from claims 1 and 26 rejected above in that it further recites wherein a title company withdraws said first amount of funds from said principal source of funds and places said first amount of funds from said principal source of funds in a trust assuring the repayment of said incentive lending instrument. Official Notice is taken that it is old and well known for title Company, escrow agents and the like to act as an independent third party agent and assume possession of a contract, a deed, or money from a grantor until completion of any outstanding obligations or commitments. Upon the satisfaction of all parties, the agent delivers the property held in escrow to the grantee. It would have been obvious at the time of Applicant's invention in the system of Teveler to have included a title company withdraws said first amount of funds from said principal source of funds and places said first amount of funds from said principal

Art Unit: 3688

source of funds in a trust assuring the repayment of said incentive lending instrument in order to obtain the above mentioned advantages.

With respect to claims 2-3, 5 Teveler further teaches wherein the second debt incurs interest charges that are lower than interest charged on said first debt if said first debt was not credited prior to said interest being charged (i.e. credit card debt higher than the trading system credit debt )(paragraphs 0027 0077 and 0188).

Claim 6 further recites that the credit card consists of the following credit cards American Express, MasterCard, Visa, Diner's Club, Discover and Novus. Teveler doesn't specifically teach the type of credit card used. Official Notice is taken that American Express, MasterCard, Visa, Diner's Club, Discover and Novus are old and the most known credit cards used and therefore it would have been obvious in the system of Teveler to have used the well known cards in order to provide easy implementation by using the already well known credit cards.

### **Response to Arguments**

7. The 101 rejection has been withdrawn.
8. Applicant argues that Teveler doesn't teach a discount solely by use of a certain lending instrument. The Examiner disagrees with Applicant because Teveler teaches on paragraphs 0027 and 0077 enabling a selected discount if the customer authorizes sign an authorized agreement to create a credit card account to pay for his or her

Art Unit: 3688

purchases (paragraphs 0027 and 0077). The Examiner further wants to point out that *In re Bozek*, 163 USPQ 545 (CCPA 1969) AReference disclosure must be evaluated for **all that it fairly suggests** and not only for what is indicated as preferred. The reference can have further teachings but if the reference teaches the claimed limitations in one of those teachings then the claimed limitation has been met.

9. Applicant argues Teveler fails to show the element of crediting an incentive lending instrument with funds borrowed from a secured principal lending instrument. The Examiner disagrees with Applicant because Teveler clearly teaches on paragraph 0077, receiving a discount (incentive) for paying with a line of credit (secured).

10. Applicant argues that nowhere in Teveler is disclosed the element of an incentive lending instrument providing actual bonus points simply for borrowing from the incentive lending instrument. The Examiner disagrees with Applicant because by paying/applying for a credit card, the customer is incurring a debt and is receiving a discount for use of such (see paragraph 0077) and as state above, the reference can have further teachings but if the reference teaches the claimed limitations in one of those teachings then the claimed limitation has been met.

11. Applicant further argues that a discount is not bonus points. The Examiner wants to point out that in the claims only call for “bonus points” for performing the action of borrowing from a lending instrument. In the claims the bonus points are not added,

Art Unit: 3688

subtracted or accumulated, the bonus points in the claims work merely like just an incentive, discount for performing an action. The Examiner is given "bonus Points" its broadest meaning to include incentive, discount, coupon. Incentive, coupon, offers, etc. works like claimed invention of receiving a discount, incentive, coupon, points for performing the action of borrowing from a lending instrument (see paragraphs 0027 and 0077).

12. Applicant argues that Teveler doesn't teach borrowing of funds for the elimination of debt, prior to the imposition of interest on an outstanding debt. The Examiner disagrees with Applicant because paragraph 0188 teaches the balance is transferred to the credit debt account **free of interest**, so therefore the transfer of funds is before the interest is accrued on the credit card in order to receive the free interest. In this case in order for the balance to be transferred there must be two lending instruments.

**Point of contact**

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Raquel Alvarez whose telephone number is (571)272-6715. The examiner can normally be reached on 9:00-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Robert A. Weinhardt can be reached on (571)272-6633. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.



Art Unit: 3688

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Raquel Alvarez/  
Primary Examiner, Art Unit 3688

Raquel Alvarez  
Primary Examiner  
Art Unit 3688

R.A.  
1/14/2010